

NORD/LB Luxembourg S.A. - Public-Sector Covered Bonds

Covered Bonds / Luxembourg

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Reporting as of: 31-03-2017 All amounts in EUR (unless otherwise specified)

For information on how to read this report, see the latest
Moody's Global Covered Bond Monitoring Overview

Data as provided to Moody's Investors Service (note 1)

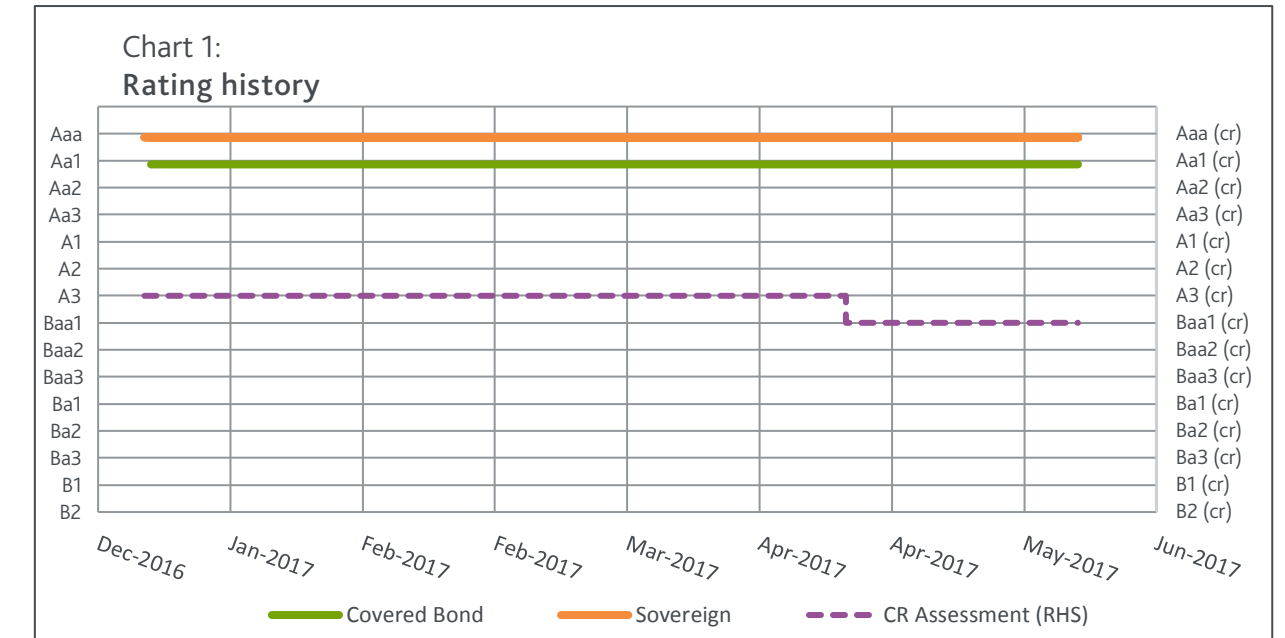
I. Programme Overview

Overview

Year of initial rating assignment:	2017
Total outstanding liabilities:	EUR 4,194,814,010
Total assets in the Cover Pool:	EUR 5,216,480,849
Issuer name / CR Assessment:	NORD/LB Luxembourg S.A. Covered Bond Bank / Baa1(cr) On review for downgrade
Group or parent name / CR Assessment:	Norddeutsche Landesbank GZ / Baa1(cr) On review for downgrade
Main collateral type:	Public Sector

Ratings

Covered bonds rating:	Aa1 On review for Downgrade
Entity used in Moody's EL & TPI analysis:	NORD/LB Luxembourg S.A. Covered Bond Bank
CB anchor:	CR Assessment + 1 notch
CR Assessment:	Baa1(cr) On review for downgrade
SUR:	Baa2 On review for downgrade
Unsecured claim used for Moody's EL analysis:	Yes



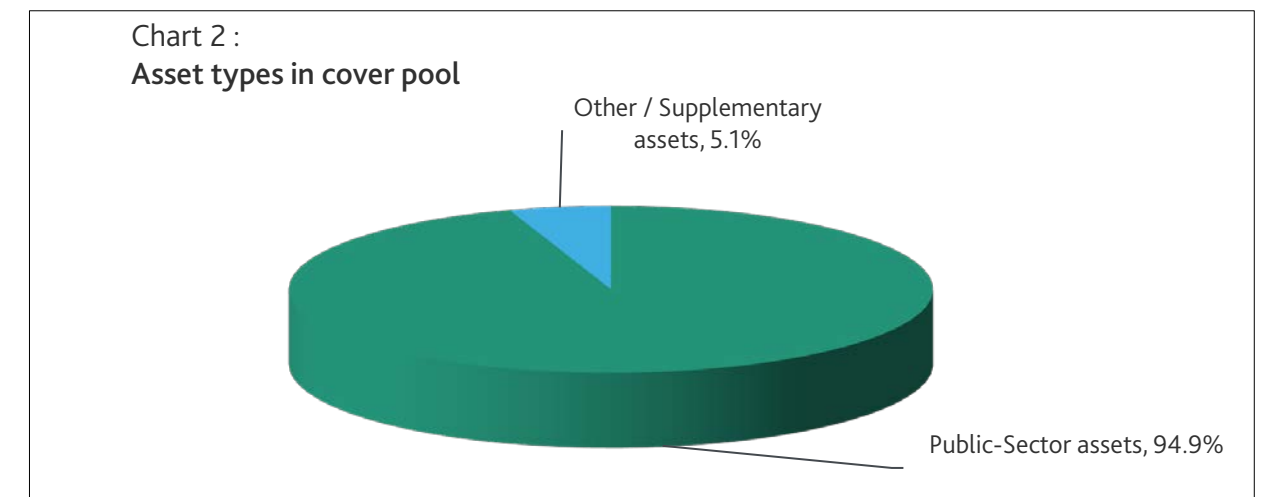
II. Value of the Cover Pool

Collateral quality

Collateral Score:	11.5%
Collateral Score excl. systemic risk:	n/a

Cover Pool losses

Collateral Risk (Collateral Score post-haircut):	5.8%	23%
Market Risk:	18.8%	77%
	24.5%	(100%)



III. Over-Collateralisation Levels (notes 2 & 3)

Over-Collateralisation (OC) figures presented below include Eligible only collateral.

Over-collateralisation levels are provided on nominal basis.

NPV stress test where stressed: Static

Current situation

Committed OC (Nominal & NPV):	2.0%
Current OC:	24.4%
OC consistent with current rating (note 4)*:	18.5%

Sensitivity scenario CB anchor

	OC consistent with current rating
Scenario 1: CB anchor is lowered by	1 notch
	21%***

IV. Timely Payment Indicator & TPI Leeway

Timely Payment Indicator (TPI):	Probable
TPI Leeway:	1

Extract from TPI table - CB anchor is CR Assessment + 1 notch

CR Assessment	Probable
A1(cr)	Aaa
A2(cr)	Aaa
A3(cr)	Aaa
Baa1(cr)	Aaa
Baa2(cr)	Aa1
Baa3(cr)	Aa2
Ba1(cr)	A1
Ba2(cr)	A2-Baa1

Legal framework

Does a specific covered bond law apply for this programme:	Yes, Luxembourg Covered Bond Law
Main country in which collateral is based:	Various
Country in which issuer is based:	Luxembourg

Timely payment

Refinancing period for principal payments of 6 months or greater:	No
Liquidity reserve to support timely payments on all issuances:	Yes

THIS REPORT WAS REPUBLISHED ON 26 JUNE 2017 WITH UPDATED FIGURES ON THE COLLATERAL QUALITY, COVER POOL LOSSES AND OVER-COLLATERALIZATION LEVELS.

(note 1) The data reported in this PO is based on information provided by the issuer and may include certain assumptions made by Moody's. Moody's accepts no responsibility for the information provided to it and, whilst it believes the assumptions it has made are reasonable, cannot guarantee that they are or will remain accurate. Although Moody's encourages all issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is categorised by issuers. The data reporting template (which Issuers are requested to use) is available on request.
(note 2) This assumes the Covered Bonds rating is not constrained by the TPI. Also to the extent rating assumptions change following a downgrade or an upgrade of the Issuer, the necessary OC stated here may also change. This is especially significant in the case of Issuers currently rated A2 or A3, as the necessary OC following a 1 notch downgrade may then be substantially higher than the amount suggested here as market risks are considered more critically by Moody's at this time. In any event, the necessary OC amounts stated here are subject to change at anytime at Moody's discretion.

(note 3) This is the minimum OC calculated to be consistent with the current rating under Moody's expected loss model. However, the level of OC consistent with a given rating level may differ from this amount where ratings are capped under the TPI framework and, for example, where committee discretion is applied.

(note 4) The OC consistent with the current rating is the minimum level of over-collateralisation which is necessary to support the covered bond rating at its current level on the basis of the pool as per the cut-off date. The sensitivity run is based on certain assumptions, including that the Covered Bonds rating is not constrained by the TPI. Further, this sensitivity run is a model output only and therefore a simplification as it does not take into account certain assumptions that may change as an issuer is downgraded, and as a result the actual OC number consistent with the current rating may be higher than shown. The OC required may also differ from the model output in situations when committee discretion is applied. In any event, the OC amounts stated here are subject to change at anytime at Moody's discretion.

(*) The OC consistent with the covered bond rating is maintained by the issuer on a nominal basis and a NPV basis.

(**) The issuer voluntarily adheres to maintaining a 180-day liquidity cover following the concept of the German Pfandbrief regulation.

(***) Of which 16.0% provided in committed form.

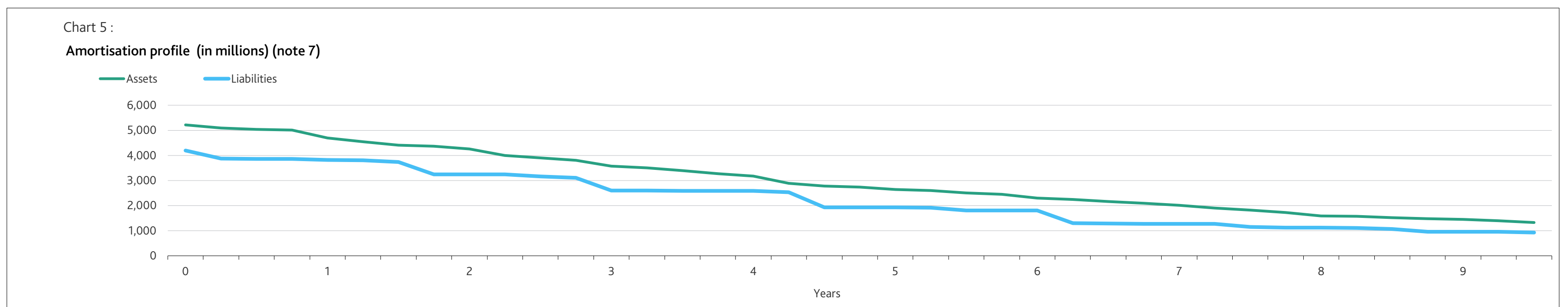
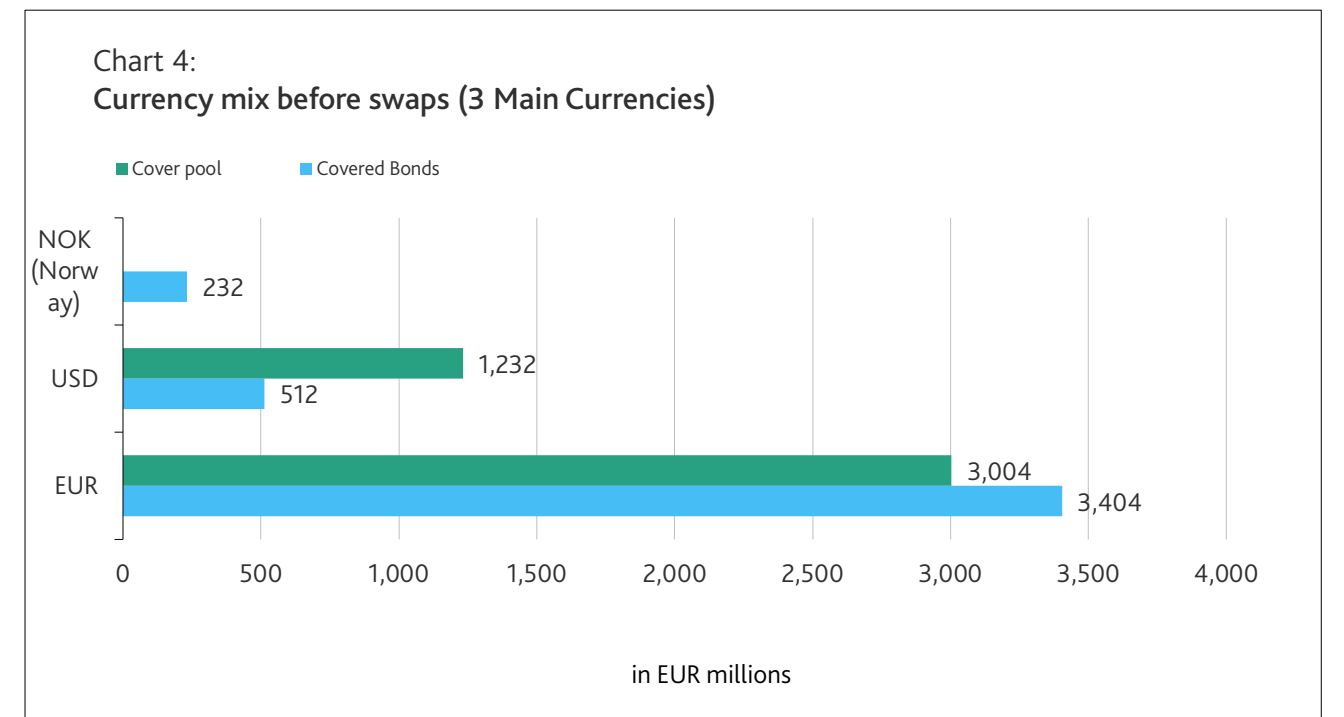
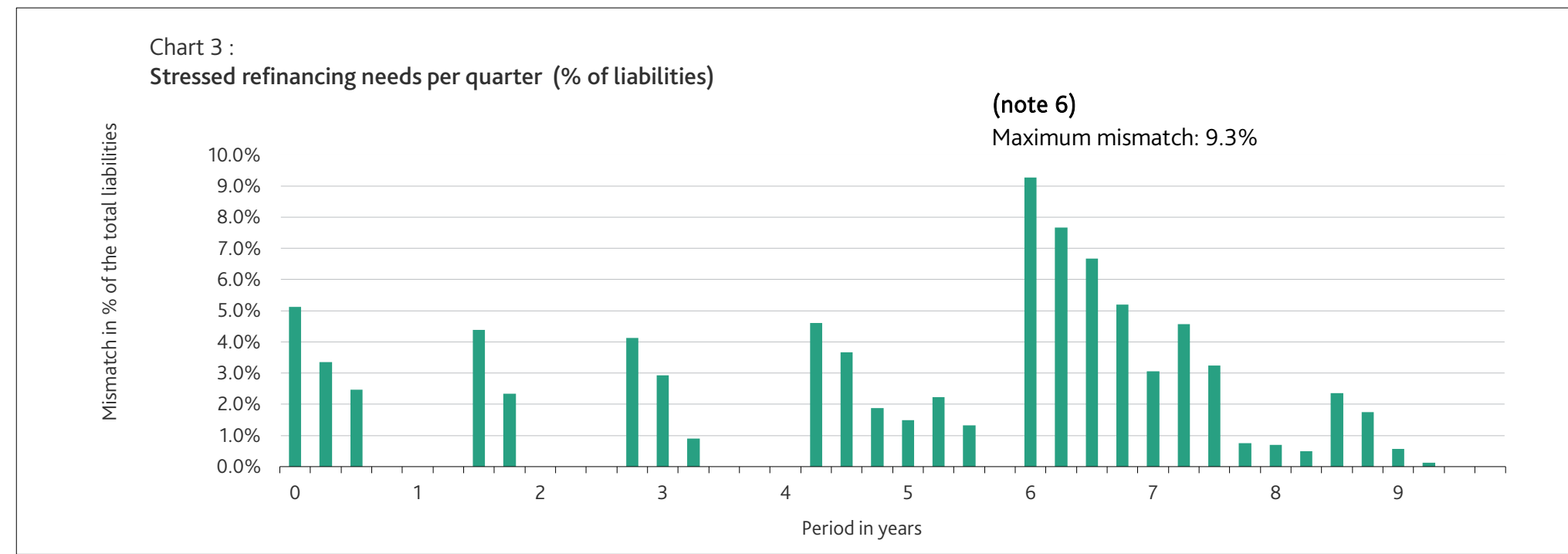
V. Asset Liability Profile

Interest Rate & Duration Mismatch (note 5)

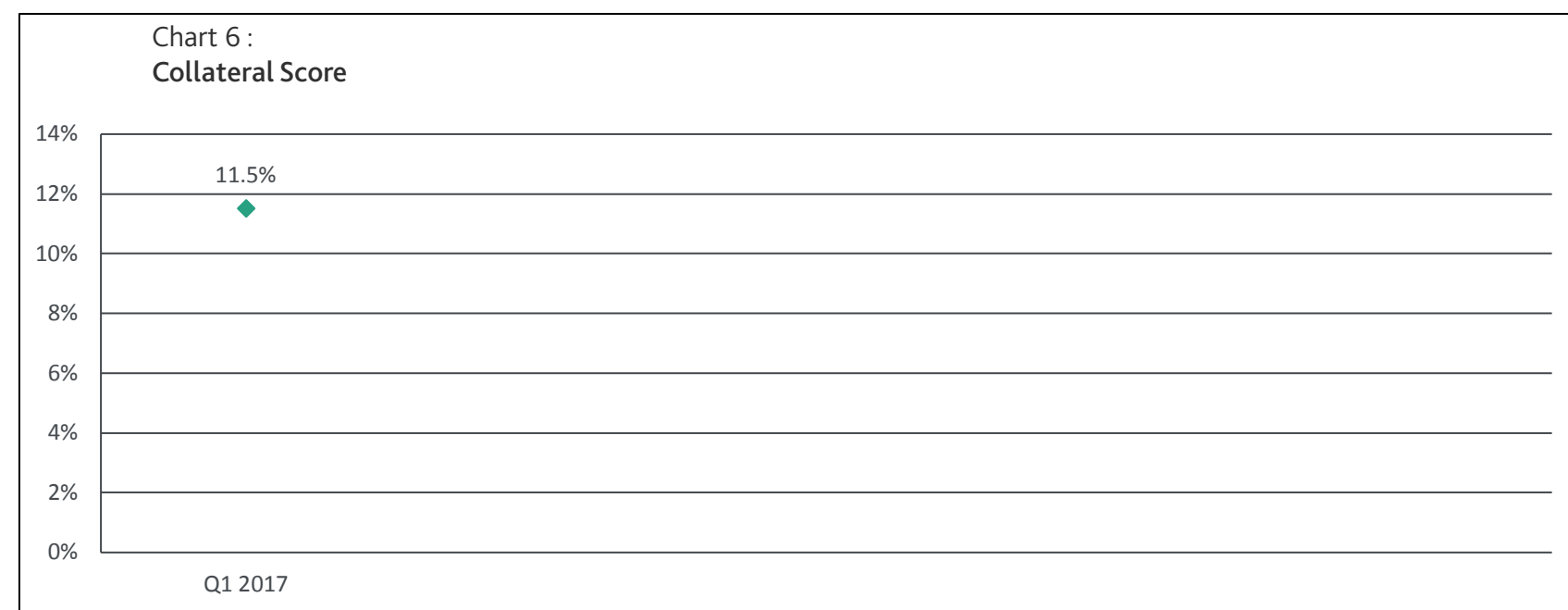
Fixed rate assets in the cover pool:	72.8%
Fixed rate covered bonds outstanding:	99.6%
WAL of outstanding covered bonds:	6.8 years
WAL of the cover pool:	7.0 years

Swap Arrangements

Interest rate swap(s) in the Cover Pool:	Yes
Intra-group interest rate swap(s) provider(s):	Yes
Currency swap(s) in the Cover Pool:	Yes
Intra-group currency swap(s) provider(s):	Yes



VI. Performance Evolution



This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody.com for the most updated credit rating action information and rating history.

(note 5) This assumes no prepayment.

(note 6) Based on principal flows only. Assumptions include no prepayments, principal collections limited to the portion of assets that make up the amount of the liabilities plus committed OC, no further CB issuance and no further assets added to the cover pool.

(note 7) Assumptions include no prepayment, no swap in place in Cover Pool and no further CB issuance.

VII. Cover Pool Information - Public Sector Assets

Overview

Asset type:	Public Sector
Asset balance:	4,949,458,354
WA remaining Term (in months):	108
Number of borrowers:	171
Number of loans / bonds:	335
Exposure to the 10 largest borrowers:	23.6%
Average exposure to borrowers:	28,944,201

n/d: information not disclosed by Issuer

n/a: information not applicable

Specific Loan and Borrower characteristics

Repo eligible loans / bonds:	78.0%
Percentage of fixed rate loans / bonds:	71.4%
Percentage of bullet loans/ bonds:	67.5%
Loans / bonds in non-domestic currency:	44.4%

Performance

Loans / bonds in arrears (≥ 2months - < 6months):	0.0%
Loans / bonds in arrears (≥ 6months - < 12months):	0.0%
Loans / bonds in arrears (≥ 12months):	0.0%
Loans / bonds in a foreclosure procedure:	0.0%

	Germany	USA	UK	Other	Totals
Direct claim against supranational	0.0%	0.0%	0.0%	2.2%	2.2%
Direct claim against sovereign	0.0%	0.0%	0.0%	8.0%	8.0%
Loan with guarantee of sovereign	2.4%	0.0%	0.0%	0.0%	2.4%
Direct claim against region/federal state	11.5%	0.0%	0.0%	1.8%	13.3%
Loan with guarantee of region/federal state	5.4%	0.0%	0.0%	3.2%	8.6%
Direct claim against municipality	0.0%	0.4%	0.0%	1.4%	1.7%
Loan with guarantee of municipality	0.0%	0.0%	0.0%	0.0%	0.0%
Others	24.6%	19.0%	11.5%	8.6%	63.7%
	43.9%	19.4%	11.5%	25.2%	

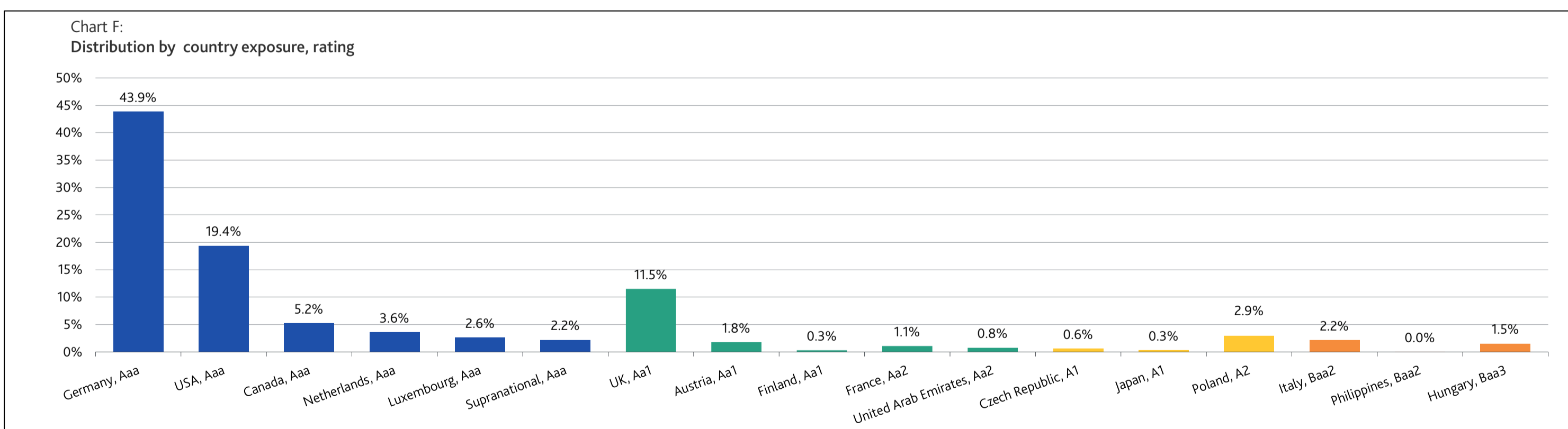
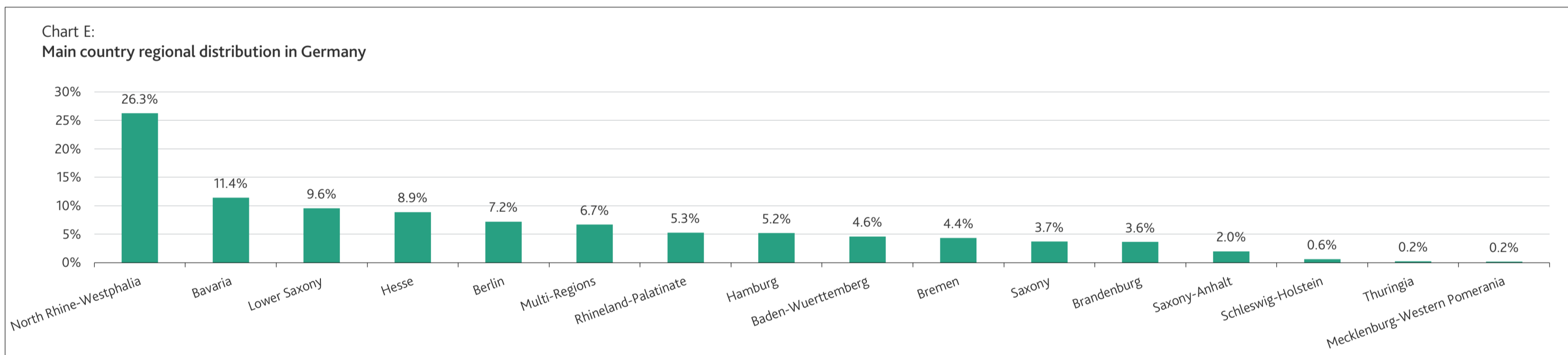
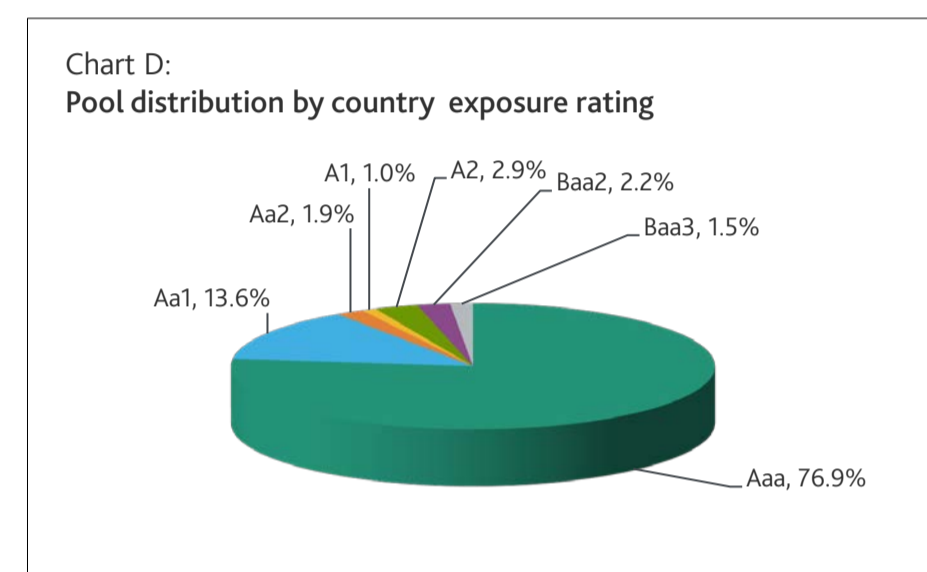
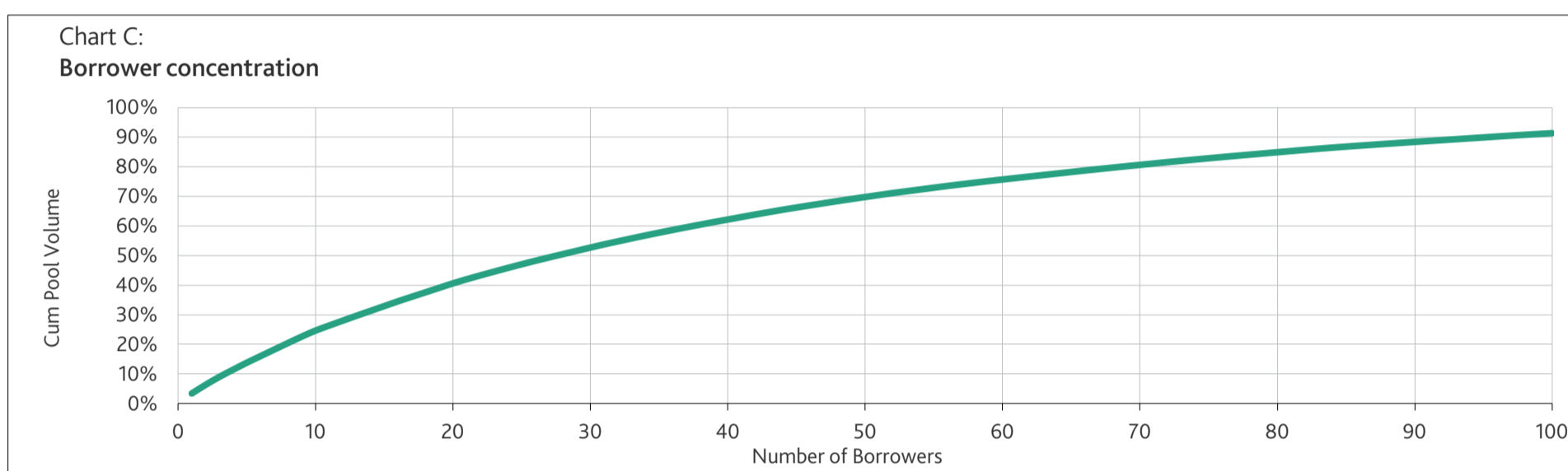
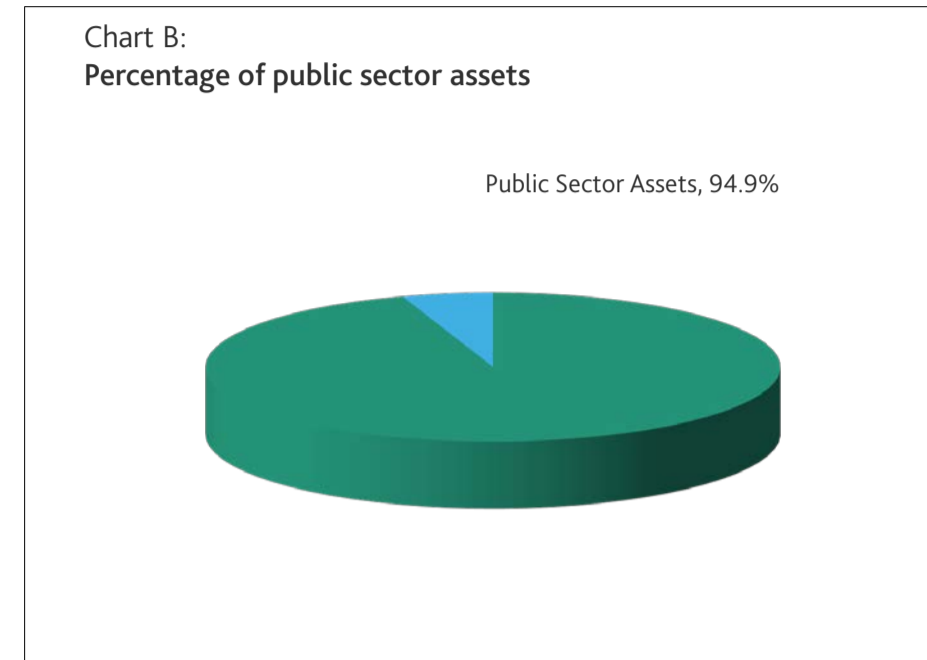


Table A and Chart C are based on debtor data. Charts D, E and F are based on guarantor data or, on unavailability of such information, on debtor data, as reported by the issuer.

VIII. Cover Pool Information - Supplementary Assets

Overview

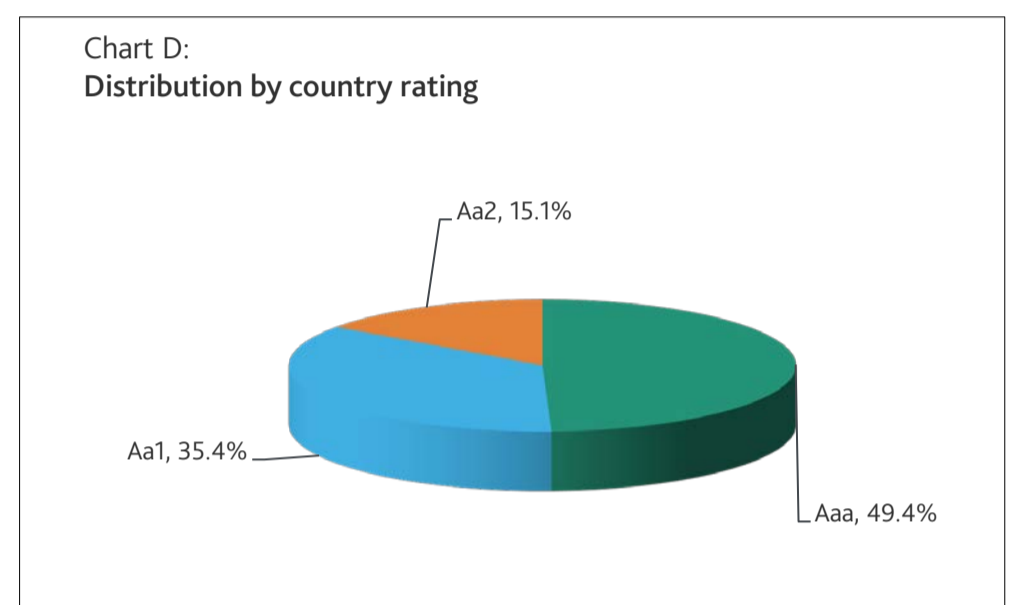
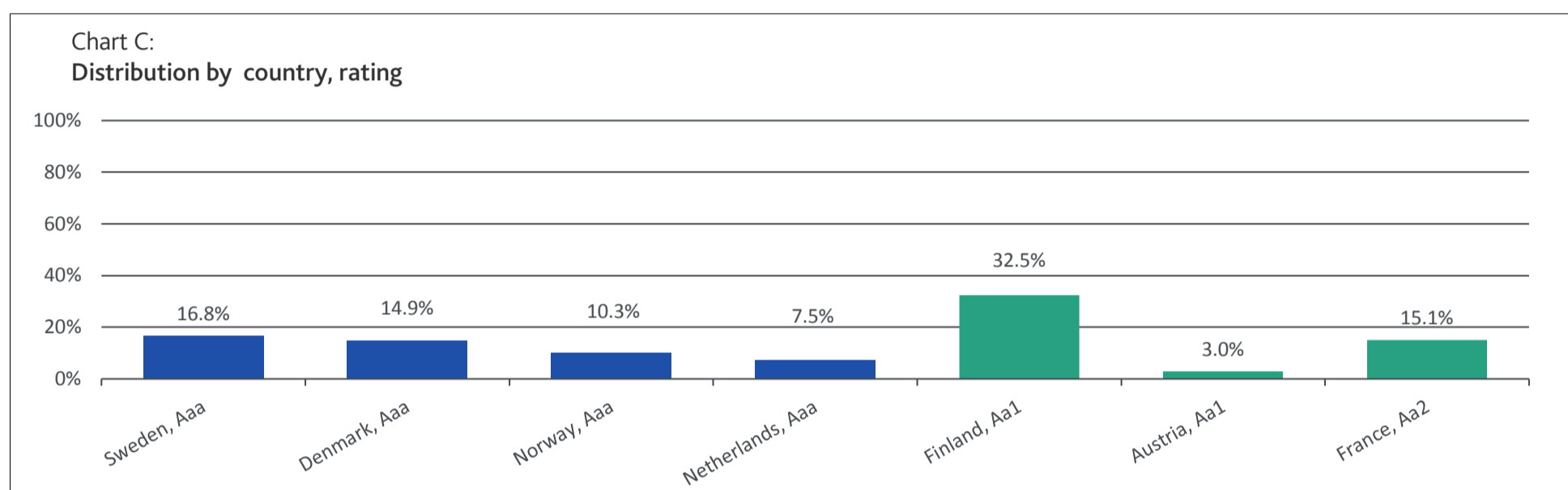
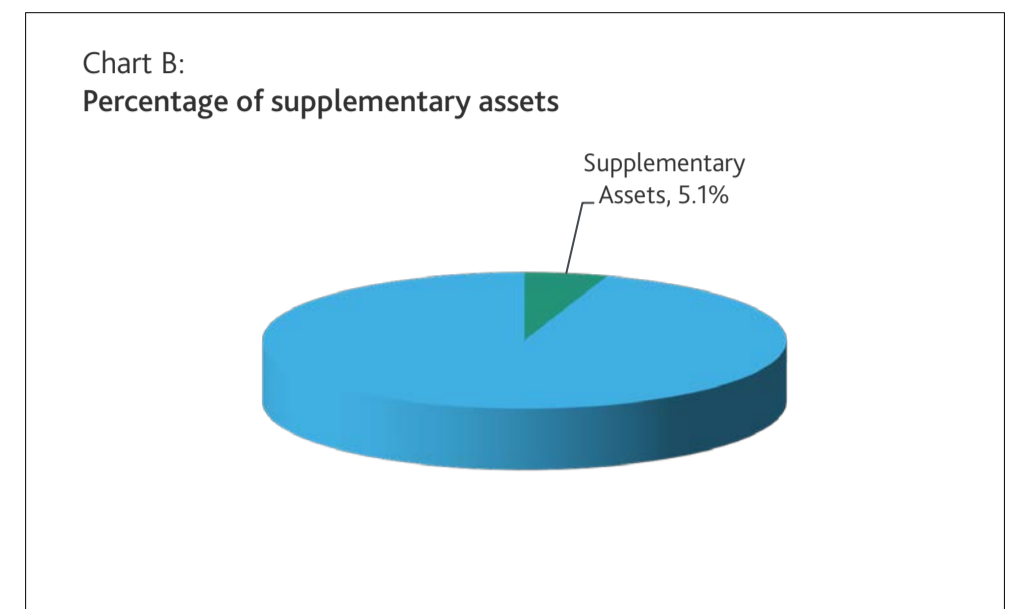
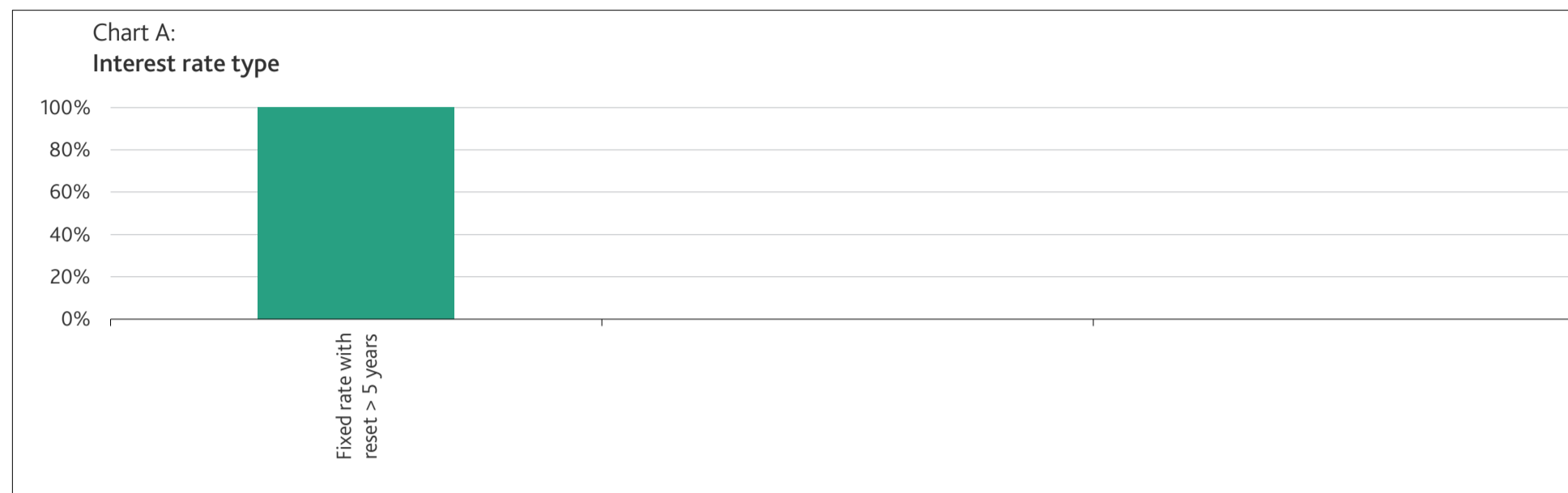
Asset type:	Supplementary Assets
Asset balance:	267,022,496
WA remaining Term (in months):	42
Number of assets:	16
Number of borrowers:	10
Average assets size:	16,751,625
Average exposure to borrowers:	26,702,250

n/d: information not disclosed by Issuer

n/a: information not applicable

Specific Loan and Borrower characteristics

Repo eligible assets:	100.0%
Percentage of fixed rate assets:	100.0%
Percentage of bullet assets:	100.0%
Assets in non-domestic currency:	5.8%
Performance	
Assets in arrears (≥ 2months - < 6months):	0.0%
Assets in arrears (≥ 6months - < 12months):	0.0%
Assets in arrears (> 12months):	0.0%
Assets in a enforcement procedure:	0.0%



IX. Swap Information

Counterparty	Type	Notional Amount	Collateral trigger***	Replacement Trigger
Total	Total	2,520,831,907		
	Currency	1,519,241,764		
	Interest rate	1,001,590,144		
Norddeutsche Landesbank GZ	Subtotal	2,520,831,907		
	Currency	1,519,241,764	none	n/a
	Interest rate	1,001,590,144	none	n/a

(***) The Swap Counterparty is already posting collateral (cash).

X. Liabilities Information: Last 50 Issuances

ISIN	Series Number	Currency	Outstanding Amount	Issuance Date	Expected Maturity	Legal Final Maturity	Interest Rate Type	Coupon	Principal Payment
XS1569741884	EMTN Series 94	EUR	500,000,000	23/02/2017	23/08/2021	23/08/2021	Fixed rate	25.000%	BULLET
XS1432510631	EMTN Series 87	EUR	500,000,000	15/06/2016	15/06/2023	15/06/2023	Fixed rate	38.000%	BULLET
XS1327548530	EMTN Series 80	EUR	5,000,000	02/12/2015	02/12/2024	02/12/2024	Fixed rate	85.000%	BULLET
XS1316421137	EMTN Series 79	EUR	500,000,000	06/11/2015	06/11/2018	06/11/2018	Fixed rate	13.000%	BULLET
XS1289534262	EMTN Series 77	EUR	50,000,000	10/09/2015	10/09/2019	10/09/2019	Fixed rate	25.000%	BULLET
XS1276772636	EMTN Series 76	EUR	15,000,000	17/08/2015	17/08/2017	17/08/2017	Floating rate	6M EURIBOR + 48 bps	BULLET
XS1199018398	EMTN Series 74	EUR	500,000,000	02/03/2015	10/03/2020	10/03/2020	Fixed rate	25.000%	BULLET
XS1152098411	EMTN Series 70	USD	100,000,000	04/12/2014	09/09/2021	09/09/2021	Fixed rate	250.000%	BULLET
XS1152098338	EMTN Series 71	USD	100,000,000	04/12/2014	08/07/2024	08/07/2024	Fixed rate	300.000%	BULLET
XS0785173104	EMTN Series 65	EUR	10,000,000	15/05/2012	23/05/2018	23/05/2018	Fixed rate	200.000%	BULLET
XS0630821980	EMTN Series 61	NOK	500,000,000	18/05/2011	25/05/2021	25/05/2021	Fixed rate	500.000%	BULLET
XS0557954368	EMTN Series 57	EUR	5,000,000	03/11/2010	05/11/2020	05/11/2020	Fixed rate	313.000%	BULLET
XS0451363708	EMTN Series 48	EUR	3,000,000	04/09/2009	30/08/2019	30/08/2019	Floating rate	3M EURIBOR + 57 bps	Other amortising
XS0385944946	EMTN Series 31	NOK	525,000,000	04/09/2008	04/09/2018	04/09/2018	Fixed rate	563.000%	BULLET
XS0307349125	EMTN Series 5	NOK	1,000,000,000	13/06/2007	06/09/2022	06/09/2022	Fixed rate	567.000%	BULLET
XS0306020057	EMTN Series 4	NOK	100,000,000	08/06/2007	20/06/2022	20/06/2022	Fixed rate	560.000%	BULLET
XS0303324585	EMTN Series 3	USD	347,430,000	24/05/2007	05/06/2017	05/06/2017	Fixed rate	538.000%	BULLET
CH0030943903	EMTN Series 1	CHF	50,000,000	04/05/2007	23/05/2033	23/05/2033	Fixed rate	319.000%	BULLET

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